



Customer Case Study

Enerflow Industries Inc.

Overview

Country: Canada

Industry: Manufacturing, Custom Fabrication of Vehicles and Equipment for the Oil & Gas Industry

Customer Profile

Enerflow Industries Inc. is an Alberta-based manufacturing company that produces custom oil field equipment for the booming oil and gas industry. Enerflow currently has multiple manufacturing facilities in Calgary that collectively cover 200,000 sq ft of building space over 16 acres and they have shipped their custom equipment all over the world.

Business Situation

With a primary goal of operational efficiency, Enerflow wanted to replace its numerous standalone systems with a fully integrated platform that would streamline manufacturing performance and enable real-time reporting.

Job cost reporting was difficult for Enerflow to produce as the necessary information was scattered across multiple locations on different, disconnected systems. As the company grew, compiling accurate job cost reporting became an increasingly difficult task and the validity of the reports was questionable.

Job entries on their previous system were driven by the timing of their bi-weekly payroll entries.

This created cash flow concerns for Enerflow as invoicing was therefore also limited to the same bi-weekly schedule.

This problem prompted them to begin the search for a system that would allow them to collect job entries on a daily basis, see job progress in real time and therefore improve cash flow by being able to invoice for jobs as the work was completed.

Solution

Microsoft Dynamics NAV with the custom Advanced Job Management module implemented by Bell provides a flexible solution that includes fully integrated financial management, order processing, supply planning, and business process automation.

Benefits

- Accurate, real-time financial reporting
- Agile manufacturing process management
- Improved operational efficiency
- Low cost of ownership
- Long-term scalability

“Thanks to Bell and Microsoft Dynamics NAV, we have a system that fits our complex business requirements and gives us access to critical information on-demand so that Enerflow can adapt to competitive challenges and opportunities.”

Heidi Ylijoki, Controller.
Enerflow Industries Inc.

With the explosive growth of the Alberta Oil patch, Enerflow has seen unprecedented demand for the fabrication of custom oil and gas field equipment. Capitalizing on this market opportunity required the deployment of a single integrated platform to replace numerous standalone systems. Enerflow needed greater visibility, agility and a business solution that could improve performance across the company.

With these objectives in sight, Enerflow turned to Bell and Microsoft Dynamics™ NAV.



“Having AJM deployed provides a powerful platform for Enerflow to better manage its entire business operations through timely, accurate information that empowers decision-making. It ties together our manufacturing and finance systems so that we always have a daily view on job costing.”

Heidi Ylijoki
Controller, Enerflow

Company & Background

Enerflow Industries Inc.
www.enerflow.com

Enerflow Industries Inc. is a privately-owned company that has been manufacturing custom vehicles and equipment for the oil and gas industry since 2003. With a large manufacturing facility in Calgary, Enerflow has been fortunate to enter the marketplace with quality products during a period of remarkable change and economic development in the province of Alberta.

During the first three years of operations alone, the company tripled revenue and grew from 13 employees to almost 300 employees today. Today, Enerflow enjoys an excellent reputation for quality manufacturing and superior customer service.

Situation

Manage Growth & Streamline Operations

To streamline its business and keep pace with a rapidly changing market, Enerflow Industries has deployed Microsoft Dynamics NAV for a major overhaul of their financial systems and manufacturing processes.

Legacy financial systems that had been installed when the company was founded could no longer keep up to the changing needs of the business. Enerflow’s project sponsor, Heidi Ylijoki, said the older systems were inefficient and inflexible, leading to duplication and fragmented data.

“Until now, we have relied upon accounting software and spreadsheets to run our entire business. We had been experiencing a disconnect between operations and finance where systems were running independently and required manual data checks and validation to maintain accuracy,” said Ylijoki.

To overcome these hurdles, Enerflow determined that change was a necessity.

After conducting market research on available solutions, the company determined that a Microsoft Dynamics NAV implementation, represented by Bell, would offer flexibility, simplified integration, ease of use and long-term scalability.

Bell is a Microsoft Gold Certified Partner and was selected based on their expertise, approach to customer-service and experience working with complex implementations of Microsoft Dynamics NAV.

The Solution

Bell Implementation of Microsoft Dynamics NAV with the Advanced Job Module (AJM)

With Bell engaged, the first significant task was to complete a detailed analysis of business processes to develop a workflow model for replacing existing systems while minimizing disruption to the business.

The scope of work encompassed a full integration of the new financial management system to replace Enerflow’s existing finance and payroll systems and tying these directly into the project-centric manufacturing processes. Bell implemented Microsoft Dynamics NAV and customized the software to incorporate a wide range of functionality - ranging from purchasing, sales, manufacturing, payroll and billing systems.

Today the Bell solution touches all aspects of Enerflow’s business including general ledger, sales & receivables, purchases and payables, inventory, warehouse management, manufacturing, reporting and project management.

“There is absolutely no way that we could have continued to grow at our current pace without Microsoft Dynamics NAV with AJM. When you have 300 new projects in the pipeline and 2000 unique parts on every project that need to be tracked, you just can’t do it manually. Microsoft Dynamics NAV and Bell Business Solutions definitely helped us cross the data barrier,”

Michel Roux
Master Planner,
Enerflow.

Bringing the systems together into a single application has enforced much greater efficiency, as Ylijoki explains:

“Prior to Microsoft Dynamics NAV, we had standalone systems that resulted in disparate data and little information. One of the reasons that we wanted to use Microsoft Dynamics NAV to bring it all together was that our accelerated business growth required a single view into our operations.”

Bell also identified that Enerflow would greatly benefit from the deployment of the Advanced Job Management module, a job-oriented tool that manages operational efficiency in project-driven environments. Since custom fabrication is essentially a series of individual projects on a mass scale, AJM provides on-demand, drill-down visibility into production status. This factor alone represents a significant leap forward for Enerflow because it allows for proactive decision-making throughout the project lifecycle.

“Having AJM deployed provides a powerful platform for Enerflow to better manage its entire business operations through timely, accurate information that empowers decision-making,” added Ylijoki. “It ties together our manufacturing and finance systems so that we always have a daily view on job costing.”

Prior to implementation, Enerflow needed a clear demonstration of the short-term integration issues and long-term capabilities of Microsoft Dynamics NAV.

To achieve this end, Bell introduced their comprehensive implementation methodology. Bell project consultant Quinn Beck said, “Our methodology starts with a business model that analyzes base line business process and projects this forward onto the desired results of the client. At this point, we factor in any potential gaps and determine a course of strategic next actions that will fit the target model.”

“Enerflow had some very unique business requirements that required customizations. Microsoft Dynamics NAV delivered the flexibility necessary to manage such changes without overextending the overall project budget,” said Beck.

The Result

The successful deployment of Microsoft Dynamics NAV has resulted in a range of positive outcomes at Enerflow.

Greater Visibility

Enerflow now has greater visibility into their overall business and can analyze it from a bird’s eye view through the reports and processes that are now in place.

Manageable Costs

The system enabled Enerflow to invoice customers at the completion of a project rather than having to wait on their payroll schedule. This led to a better overall cost management process that helped relieve the cash flow problems that they experienced prior to implementation.

Improved Work Flow

The overall work flow of projects from concept to completion has been improved by the implementation. Employees now have access to valuable project information and can easily pull reporting as needed through the new system.

Improved Business Process

The new system has delivered efficiency across the entire company by forcing greater business discipline and creating more visibility into each job than was available prior to the implementation. Information has become more accessible and the project flow more streamlined. Manufacturing jobs that require project-centric planning and cost allocation are

better managed with accurate accounting for labour and materials. All of this data flows into Enerflow's financial systems which dramatically improves the corporate bottom-line.

"Having an integrated system gives us better visibility of what's going on in the company as a whole," says Gary Hansen, Engineering Manager at Enerflow.

Better Financial Management

Removing the fragmented data silos has generated significant operational cost reductions. One of the key benefits is the ability to track costs and revenue centres on a per-job basis.

With Bell's AJM module add-on to Microsoft Dynamics NAV, cash flow has significantly improved at Enerflow. Heidi Ylijoki, Controller comments "We now have a view into daily job costing which results in improved cash flow because we can now invoice immediately on projects. This is very important to Enerflow's business as most custom manufacturing projects are typically capital intensive and represent multi-million dollar investments for the company."

Informed Decision-Making

Enerflow can now rely on the integrity of their data to drive decision-making. Within a complex business environment, putting accurate data into the hands of people who need the most is a significant competitive advantage. Linking manufacturing process and financial systems together allows management to analyze real-time data in a variety of ways to make informed decisions.

"There is absolutely no way that we could have continued to grow at our current pace without Microsoft Dynamics NAV with AJM. When you have 300 new projects in the pipeline and 2000 unique parts on every project that need to be tracked, you just can't do it manually. Microsoft Dynamics NAV and Bell definitely helped us cross the data barrier," said Michel Roux, Master Planner at Enerflow.

Prior to the implementation, Enerflow was realizing over 100% ROI, but it came at a cost as they could not keep up with demand or manage their costs effectively. After the implementation, they are still achieving over 100% ROI but are doing so with manageable costs and greater visibility.

For More Information

For more information about Bell products and services, call 1-877-216-0001 or visit the web site at: www.bell.ca

